

## UTILITIES DIVISION

NEW ORLEANS LA 70112

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## COMPANY INFORMATION

Company Name (Business Name) Arizona Gas, a Division of Citizens Communications Company  
(Northern Arizona Gas Division & Santa Cruz Gas Division)

Mailing Address 1450 Poydras Street, 18th Floor  
(Street)

New Orleans LA 70112  
(City) (State) (Zip)

(504) 299-4501 (504)544-5822  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address kcohen@czn.com

Local Office Mailing Address 1300 South Yale Street  
(Street)

Flagstaff AZ 86001  
(City) (State) (Zip)

(520)774-4592 (520)779-5338  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address dmccarth@czn.com

## MANAGEMENT INFORMATION

**Management Contact:** Kenneth L. Cohen V.P. & Controller  
(Name) (Title)

1450 Poydras Street, 18th Floor New Orleans LA 70112  
(Street) (City) (State) (Zip)

(504) 299-4501 (504)544-5822  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address kcohen@czn.com

**On Site Manager:** Dan McCarthy  
(Name) (Title)

1300 South Yale Street Flagstaff AZ 86001  
(Street) (City) (State) (Zip)

(520) 226-2212 (520)779-5338  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address dmccarth@czn.com

**STATUTORY AGENT:**United States Corporation Co.

(NAME)

3636 N. Central Ave.

(Street)

Phoenix

(City)

AZ

(State)

85012

(Zip)

(602) 249-2550

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**ATTORNEY:**L. Russell Mitten

(NAME)

3 High Ridge Park

(Street)

Stamford

(City)

Ct

(State)

06905

(Zip)

(203) 614-5047

Telephone No. (Include Area Code)

(206) 614-4651

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

☐ Sole Proprietor (S)☐ C Corporation (C) (Other than Association/Co-op)☐ Partnership (P)☐ Subchapter S Corporation (Z)☐ Bankruptcy (B)☐ Association/Co op (A)☐ Receivership (R)☐ Limited Liability Company☒ Other (Describe) a division of Citizens Communications Company**COUNTIES SERVED**

Check the following box that applies to your company:

☐ APACHE☐ COCHISE☒ COCONINO☐ GILA☐ GRAHAM☐ GREENLEE☐ LA PAZ☐ MARICOPA☒ MOHAVE☒ NAVAJO☐ PIMA☐ PINAL☒ SANTA CRUZ☒ YAVAPAI☐ YUMA☐ STATEWIDE

## **SERVICES AUTHORIZED TO PROVIDE**

Check the following box's for the services that you are authorized to provide:

☐ Electric

- ☐ Investor Owned Electric
- ☐ Rural Electric Cooperative
- ☐ Electric Service Provider
- ☐ Transmission Service Provider
- ☐ Autility Distribution Company
- ☐ Meter Service Provider
- ☐ Meter Reading Service Provider
- ☐ Billing and Collection
- ☐ Ancillary Services

☐ Telecommunications

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☒ Gas

- ☒ Natural Gas
- ☐ Propane

☐ Other (Specify) \_\_\_\_\_

## **STATISTICAL INFORMATION**

Total number of customers (All Utilities) \_\_\_\_\_ 115,244

Total access lines (Telecommunications Only) \_\_\_\_\_ lines

Total kilo Watt hours sold (Electric Utility Only) \_\_\_\_\_ kWh

Maximum Peak Load (Electric Utility Only) \_\_\_\_\_ mW

Total therms sold (Gas Utility Only) \_\_\_\_\_ 101,335,020 \_\_\_\_\_ therms

**VERIFICATION  
AND  
SWORN STATEMENT**

**VERIFICATION**

STATE OF Louisiana

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
Orleans	
NAME (OWNER OR OFFICIAL) TITLE	
Kenneth L. Cohen	VP & Controller
COMPANY NAME	
Arizona Gas Division	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

FOR THE YEAR ENDING

MONTH	DAY	YEAR
December	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.


**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)
<u>\$61,384,436</u>

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$4,493,173  
IN SALES TAXES BILLED, OR COLLECTED

\*\* REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPL

  
\_\_\_\_\_  
SIGNATURE OF OWNER OR OFFICIAL  
(504) 299-4501  
\_\_\_\_\_  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

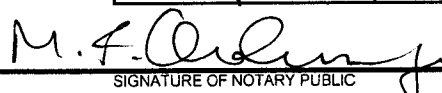
THIS

<u>12<sup>th</sup></u>
------------------------

DAY OF

COUNTY NAME	
Jefferson	
MONTH	2001
April	

(SEAL)

  
\_\_\_\_\_  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES AT DEATH

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
Orleans	
NAME (OWNER OR OFFICIAL) TITLE	
Kenneth L. Cohen	VP & Controller
COMPANY NAME	
Arizona Gas Division	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
December	31	2000

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Arizona IntraState Gross Operating Revenues

\$40,694,858

(THE AMOUNT IN BOX ABOVE

INCLUDES \$2,978,753

IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

x Kenneth L. Cohen  
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF STATE OF LOUISIANA

THIS 12th DAY OF

(SEAL)

MY COMMISSION EXPIRES ATD 6/30/01

NOTARY PUBLIC NAME	
MARSHALL F. ORDERMANN, JR.	
COUNTY NAME	
JEFFERSON	
MONTH	2001
April	

x M.F. Ordermann  
SIGNATURE OF NOTARY PUBLIC

## **FINANCIAL INFORMATION**

Attach to this annual report a copy of the companies' year-end (Calendar Year 2000) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing.

**BALANCE SHEET**

<b>ASSETS</b>	<b>LINE</b>	<b>TOTALS FOR REPORT YEAR</b>
<b>UTILITY PLANT</b>	<b>NO.</b>	<b>(Dollars Only-No Cents)</b>
UTILITY PLANT IN SERVICE (= 076)	002	198,549,434
ACCUMULATED DEPRECIATION & AMORTIZATION	003	47,947,758
NET UTILITY PLANT IN SERVICE (002 - 003)	004	150,601,676
OTHER UTILITY PLANT (= 086)	005	32,894,132
ACCUMULATED DEPRECIATION & AMORTIZATION	006	
NET OTHER UTILITY PLANT (005 - 006)	007	32,894,132
TOTAL UTILITY PLANT (002 + 005) (= 087)	008	231,443,566
ACCUMULATED DEPRECIATION & AMORTIZATION (003 + 006)	009	47,947,758
NET TOTAL UTILITY PLANT (008 - 009)	010	183,495,808
<b>OTHER PROPERTY &amp; INVESTMENTS</b>		
GAS STORED UNDERGROUND: NON-CURRENT	011	
NON-UTILITY PROPERTY	012	
ACCUMULATED DEPRECIATION & AMORTIZATION	013	
NET NON-UTILITY PROPERTY (012 - 013)	014	
INVESTMENT IN & ADVANCES TO ASSOCIATED COMPANIES	015	
OTHER INVESTMENTS & SPECIAL FUNDS	016	
<b>CURRENT &amp; ACCRUED ASSETS</b>		
CASH, SPECIAL DEPOSITS & WORKING FUNDS	017	764,516
TEMPORARY INVESTMENTS	018	0
NOTES, ACCOUNTS & OTHER RECEIVABLES	019	11,448,563
ALLOWANCE FOR DOUBTFUL ACCOUNTS	020	(56,476)
RECEIVABLES FROM ASSOCIATED COMPANIES	021	56,708,830
CASH-REA LOAN FUNDS		
MATERIALS & SUPPLIES	022	1,031,068
GAS STORED UNDERGROUND-CURRENT	023	
PREPAYMENTS	024	
OTHER CURRENT & ACCRUED ASSETS	025	98,768
TOTAL CURRENT & ACCRUED ASSETS (017 + THRU 025)	026	69,995,269



## BALANCE SHEET (Cont'd.)

BALANCE SHEET (Cont'd)		
ASSETS (Cont'd)	LINE	TOTALS FOR REPORT YEAR
DEFERRED DEBITS	NO.	(Dollars Only-No Cents)
LOANS AVAILABLE FROM REA	027	
UNAMORTIZED DEBT DISCOUNT & EXPENSE	028	
EXTRAORDINARY PROPERTY LOSSES	029	
PRELIMINARY SURVEY & INVESTIGATION	030	
OTHER DEFERRED DEBITS	031	16,977,494
TOTAL DEFERRED DEBITS (027 + THRU 031)	032	16,977,494
TOTAL ASSETS + 011 + 014 + 015 + 016 + 026 + 032) (= 068) (010)	033	270,468,571
LIABILITIES & CAPITAL		
PROPRIETARY CAPITAL		
COMMON CAPITAL STOCK	034	
MEMBERSHIPS		
REACQUIRED CAPITAL STOCK	035	
PATRONAGE CAPITAL		
PREFERRED CAPITAL STOCK	036	
DONATED CAPITAL		
OTHER PAID-IN CAPITAL	037	
CONSUMERS' CONTRIBUTION FOR DEBT SERVICE		
PREMIUM/DISCOUNT ON CAPITAL STOCK	038	
RETAINED CAPITAL CREDITS		
CAPITAL STOCK EXPENSE	039	
CAPITAL GAINS & LOSSES		
OTHER CAPITAL ITEMS	040	
OTHER MARGINS & EQUITIES		
RETAINED EARNINGS (= 125)	041	22,674,428
OPERATIONS-CLEARING		
NON-CORPORATE PROPRIETORSHIP	042	
TOTAL PROPRIETARY CAPITAL (034 + THRU 042)	043	22,674,428
TOTAL EQUITIES & MARGINS (034 + THRU 041)		
LONG TERM DEBT		
BONDS PAYABLE	044	
ADVANCES FROM ASSOCIATED COMPANIES	045	
LONG TERM DEBT-REA		
OTHER LONG TERM DEBT	046	
TOTAL LONG TERM DEBT (044 + 045 + 046)	047	
CURRENT & ACCRUED LIABILITIES		
NOTES PAYABLE (SHORT TERM DEBT)	048	
ACCOUNTS PAYABLE	049	21,881,911
CURRENT PORTION OF LONG TERM DEBT	050	
PAYABLES TO ASSOCIATED COMPANIES	051	208,163,903
INTEREST & DIVIDENDS PAYABLE	052	
INTEREST PAYABLE		

## BALANCE SHEET (Cont'd.)

			TOTALS FOR REPORT YEAR
		LINE	
	CURRENT & ACCRUED LIABILITIES (Cont'd)	NO.	(Dollars Only-No Cents)
	CUSTOMER DEPOSITS	053	1,885,800
	CONSUMERS' DEPOSITS		
	ADVANCE BILLINGS & PAYMENTS	054	
	PATRONAGE CAPITAL & PATRONAGE REFUNDS PAYABLE		
	TAXES ACCRUED	055	3,248,585
	INTEREST ACCRUED	056	183,600
	TAX COLLECTIONS PAYABLE	057	(22,358)
	OTHER CURRENT & ACCRUED LIABILITIES	058	5,143
	TOTAL CURRENT AND ACCRUED LIABILITIES (048+ THRU 058)	059	235,346,584
DEFERRED CREDITS			
	UNAMORTIZED PREMIUM ON LONG TERM DEBT	060	
	CONSUMERS' ENERGY PREPAYMENTS		
	CUSTOMER ADVANCES FOR CONSTRUCTION	061	6,389,767
	CONSUMERS' ADVANCES FOR CONSTRUCTION		
	OPERATING RESERVES	062	
	MARGIN RESERVES		
	CONTRIBUTIONS IN AID OF CONSTRUCTION	063	
	ACCUMULATED DEFERRED INCOME TAXES	064	5,933,162
	ACCUMULATED DEFERRED INVESTMENT TAX CREDIT	065	54,305
	OTHER DEFERRED CREDITS	066	70,325
	TOTAL DEFERRED CREDITS (060 + THRU 066)	067	12,447,559
	TOTAL LIABILITIES & CAPITAL (043 + 047 + 059 + 067) (= 033)	068	270,468,571
UTILITY PLANT IN SERVICE			
	INTANGIBLE PLANT	069	622,797
	PRODUCTION PLANT	070	
	SOURCE OF SUPPLY PLANT		
	STORAGE PLANT	071	
	PUMPING PLANT		
	TRANSMISSION PLANT	072	11,480,397
	WATER TREATMENT PLANT		
	SEWER TREATMENT PLANT		
	DISTRIBUTION PLANT	073	169,683,819
	WATER TRANSMISSION & DISTRIBUTION PLANT		
	SEWER COLLECTION SYSTEM		
	GENERAL PLANT	074	16,662,313
	OTHER TANGIBLE PLANT	075	100,108
	TOTAL UTILITY PLANT IN SERVICE (069 + THRU 075) (= 002)	076	198,549,434
	TELEPHONE PLANT IN SERVICE (= 002)		

**SUPPLEMENTARY UTILITY PLANT INFORMATION (Cont'd.)**

	UTILITY PLANT (Cont'd.)	LINE	TOTALS FOR REPORT YEAR
	OTHER UTILITY PLANT	NO.	(Dollars Only-No Cents)
	PLANT PURCHASED	077	
	PLANT SOLD	078	
	PLANT IN PROCESS OF RECLASSIFICATION	079	
	PLANT LEASED TO OTHERS	080	
	PLANT HELD FOR FUTURE USE	081	
	CONSTRUCTION WORK IN PROGRESS	082	11,577,556
	PLANT UNDER CONSTRUCTION		
	PLANT ACQUISITION ADJUSTMENTS	083	21,316,576
	OTHER PLANT ADJUSTMENTS	084	
	OTHER PLANT	085	
	TOTAL OTHER UTILITY PLANT (077 + THRU 085) (= 005)	086	32,894,132
	TOTAL UTILITY PLANT (076 + 086) (= 008)	087	231,443,566
	OPERATING REVENUES	088	58,128,175
<b>OPERATING EXPENSES</b>			
	OPERATION EXPENSE	089	43,128,364
	RENT OR LEASE OF OPERATING PROPERTY		
	MAINTENANCE EXPENSE	090	2,141,668
	DEPRECIATION EXPENSE	091	7,067,484
	AMORTIZATION EXPENSE	092	
	TRAFFIC EXPENSE	093	
	COMMERCIAL EXPENSE	094	
	GENERAL OFFICE SALARIES & EXPENSE	095	
	PROPERTY TAX	096	3,902,968
	INCOME TAX	097	(114,312)
	TAXES OTHER THAN PROPERTY & INCOME	098	1,647,061
	PROVISION FOR DEFERRED INCOME TAXES	099	29,959
	INCOME TAXES DEFERRED IN PRIOR YEARS	100	
	INVESTMENT TAX CREDIT ADJUSTMENTS	101	
	OTHER OPERATING EXPENSES	102	
	TOTAL OPERATING EXPENSES (089 + THRU 102)	103	57,803,192

INCOME BEFORE INTEREST DEDUCTIONS & LINE EXTRAORDINARY ITEMS		LINE NO	TOTALS FOR REPORT YEAR (Dollars Only-No Cents)
NET OPERATING REVENUES (088 - 103)	104		324,983
NET OPERATING MARGIN (088 - 103)			
INCOME FROM UTILITY PLANT LEASED TO OTHERS	105		
OTHER UTILITY OPERATING INCOME	106		
TOTAL UTILITY OPERATING INCOME (104 + 105 + 106)	107		324,983
TOTAL UTILITY OPERATING MARGIN (104 + 105 + 106)			
OTHER INCOME	108		1,480,576
ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION	109		1,791,503
OTHER DEDUCTIONS	110		3,739,771
NET INCOME BEFORE INTEREST DEDUCTIONS & EXTRAORDINARY ITEMS (107 + 108 + 109 - 110)	111		(142,709)
NET MARGIN BEFORE INTEREST DEDUCTIONS & ADJUSTMENTS (107 + 108 + 109 - 110)			
INTEREST DEDUCTIONS			
INTEREST ON LONG TERM DEBT	112		
DEBT PREMIUM /DISCOUNT EXPENSE	113		
AMORTIZATION OF LOAN EXPENSE			
OTHER INTEREST DEDUCTIONS	114		91,815
TOTAL INTEREST DEDUCTIONS (112+113+114)	115		91,815
NET INCOME			
NET INCOME BEFORE EXTRAORDINARY ITEMS (111 - 115)	116		(234,524)
NET MARGIN BEFORE ADJUSTMENTS (111 - 115)			
EXTRAORDINARY ITEMS	117		
MISCELLANEOUS CREDITS TO MARGINS/EQUITIES	118		
MISCELLANEOUS DEBITS TO MARGINS/EQUITIES			
NET INCOME (116 + 117)	119		(234,524)
NET MARGIN (116 + 117 - 118)			
RETAINED EARNINGS			
RETAINED EARNINGS - BEGINNING	120		22,908,952
PATRONAGE CAPITAL	121		
OTHER ADDITIONS			
CONSUMERS' CONTRIBUTIONS FOR DEBT SERVICE	122		
LESS-PREFERRED STOCK DIVIDENDS			
OPERATING MARGINS	123		
LESS COMMON STOCK DIVIDENDS			
NON-OPERATING MARGINS	124		
OTHER DEDUCTIONS			
OTHER DISPOSITION OF NET MARGIN	125		22,674,428
RETAINED EARNINGS-ENDING (119 + 120 + 121 - 122 - 123 - 124) (= 041)			

Citizens Communications Company  
1450 Poydras Street, 18<sup>th</sup> Floor  
New Orleans, LA 70112  
504-299-4501



April 13, 2001

ARIZONA CORPORATION COMMISSION  
COMPLIANCE SECTION, UTILITIES DIVISION  
1200 WEST WASHINGTON STREET  
PHOENIX, AZ. 85007

RE: 2000 UTILITY ANNUAL REPORT  
CITIZENS COMMUNICATIONS COMPANY  
ARIZONA GAS DIVISION

Dear Sir,

Enclosed please find original Utility Annual Report for the Arizona Gas Division including Santa Cruz Gas and Northern Arizona Gas combined. This Annual Report is for the fiscal year ended December 31, 2000.

If any additional information is needed, please do not hesitate to call me.

Very Truly Yours,

A handwritten signature in cursive script that reads "Kenneth L. Cohen".

Kenneth L. Cohen  
Vice-President and Controller  
Citizens Communications Company

Enclosures